

**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
FISCAL YEAR ENDED SEPTEMBER 30, 2007  
(In Thousands)

	CORRECTIONAL INDUSTRIES REVOLVING FUND	MOTOR TRANSPORT FUND	OFFICE SERVICES REVOLVING FUND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 45,496	\$ 53,458	\$ 103,087
Payments to employees	(16,102)	(3,026)	(12,380)
Payments to suppliers	(21,274)	(49,688)	(87,885)
Claims paid	-	-	-
Other payments	(7,959)	246	-
Net cash provided (used) by operating activities	<u>\$ 162</u>	<u>\$ 990</u>	<u>\$ 2,822</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Loans or loan repayments from other funds	\$ 393	\$ -	\$ 8,605
Loans or loan repayments to other funds	198	(291)	(7,956)
Transfers to other funds	-	(27)	(111)
Net cash provided (used) by noncapital financing activities	<u>\$ 591</u>	<u>\$ (319)</u>	<u>\$ 538</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition and construction of capital assets	\$ (198)	\$ (183)	\$ (2,189)
Interest paid	(393)	-	-
Capital lease payments (including imputed interest expense)	-	-	(1,057)
Proceeds from sale of capital assets	-	104	5
Net cash provided (used) by capital and related financing activities	<u>\$ (591)</u>	<u>\$ (79)</u>	<u>\$ (3,241)</u>
Net cash provided (used) - all activities	\$ 162	\$ 593	\$ 119
Cash and cash equivalents at beginning of year	(321)	3	354
<b>Cash and cash equivalents at end of year</b>	<u><u>\$ (159)</u></u>	<u><u>\$ 595</u></u>	<u><u>\$ 472</u></u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS</b>			
Per Statement of Net Assets Classifications:			
Cash	\$ -	\$ -	\$ -
Equity in common cash	-	603	488
Warrants outstanding	(159)	(7)	(16)
Cash and cash equivalents at end of year	<u><u>\$ (159)</u></u>	<u><u>\$ 595</u></u>	<u><u>\$ 472</u></u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ 760	\$ (1,911)	\$ 154
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation expense	1,480	219	1,489
Net Changes in Assets and Liabilities:			
Inventories	(758)	(9)	(458)
Other assets (net)	(17)	3,133	2,630
Accounts payable and other liabilities	(1,303)	(442)	(993)
Net cash provided (used) by operating activities	<u><u>\$ 162</u></u>	<u><u>\$ 990</u></u>	<u><u>\$ 2,822</u></u>
<b>SCHEDULE OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</b>			
Cost of capital assets acquisitions financed by capital leases	\$ -	\$ -	\$ -
Capital lease liabilities entered into during the year	-	-	-
Gain (loss) on disposal of capital assets	(15)	-	(21)
Total noncash investing, capital, and financing activities	<u><u>\$ (15)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (21)</u></u>